GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:199
ANSWERED ON:25.02.2000
RBI REPORT ON BUDGETARY REPORTS OF STATE GOVERNMENTS
SULTAN SALAHUDDIN OWAISI

Will the Minister of FINANCE be pleased to state:

(a) whether RBI has recently released report in regard to budgetary position of 26 State Governments;

(b) if so, the details of budget deficit of these State Governments, state-wise;

(c) Whether the revenue deficit which was 38.3%in 1990-91 has gone up to 53.8% at present;

(d) if so, the main reasons for this huge budget deficit in States;

(e) whether the Government propose to give urgent attention for reforms in regard to States, budgetary position;

(f) if so, whether the Government have issued any instructions in this regard; and
(g) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DHANANJAYA KUMAR)

(a) Yes sir.

(b) A statement is enclosed.

(c) & (d) As brought out in RBI Report on State Finances,January 2000, the combined revenue deficit for 25 states and NCT of Delhi was 28.3% of their GFD in 1990-91 and53.8 % of their GFD in 1998-99 (RE). Main reasons forthe rising revenue deficit of the States are steep rise in non-plan revenue expenditure, particularly establishment expenditure, recurring losses of States` PSUs, rising interest payment liabilities and deceleration in receipts.

(e) to (g) State Governments are autonomous under the Constitution and are expected to take measures of their preference from time to time to improve their financial status. However, as recommended by the National Development Council Sub-committee, some States have evolved and undertaken their own medium term fiscal reform programme aimed at reduction in revenue deficit through increased revenue mobilization, reduction in non-plan revenue expenditure, correction in pricing and subsidy, and disinvestment. The Government of India has created a facility for extending medium term assistance to those states who have entered into an agreement with Government of India for initiating monitorable fiscal reform programmes.

Statement referred to in reply to part (b) of the Lok Sabha Unstarred Question No. 199 for answer on 25-2-2000.

GROSS FISCAL DEFICIT OF STATES-1998-99

(Revised Estimates)

(Rs. in crore.)

Sl.No.	States	Recipts	Expendituure	Surplus(-)/Deficit(+)
1.	Andhra Pr.	15640.80	19389.10	3748.30
2.	Anuradha Pr.	927.30	1032.50	105.20
3.	Assam	5255.00	6806.60	1551.70
4.	Bihar	10399.60	14790.90	4391.40
5.	Goa	1143.40	1459.10	315.70

6. Gujarat 13122.90 17896.80 4773.90

7 Haryana 6033.60 8353.40 2319.80

8. Himachal Pr. 2533.90 3848.90 1315.00

9. J&K 4766.20 5718.40 952.20
10.Karnataka 12168.30 15189.20 3020.90
11.Kerala 8174.60 10959.30 2784.70
12.Madhya Pr. 12301.10 15828.40 3527.30
13.Maharashtra 22130.70 29102.50 6971.80
14.Manipur 952.30 1122.00 169.70
15.Meghalaya 939.80 1146.10 206.40
16.Mizoram 756.40 901.30 144.90
17.Nagaland 1035.70 1278.90 243.20
18.Orissa 5716.90 8369.70 2652.80
19.Punjab 7080.10 11013.00 3933.00
20.Rajasthan 8838.10 14084.00 5245.90
21.Sikkim 1466.50 1662.40 195.90
22.Tamilnadu 14198.50 18582.20 4383.70
23.Tripura 1244.80 1446.90 202.10
24.Uttar Pr. 18800.00 30891.50 12091.40
25.West Bengal 10012.00 18521.30 8509.30
26.NCT Delhi 3982.80 5482.90 1500.10

Total: 189621.40 264877.30 75256.00

Revenue Receipts.